

Ambassador Bridge Testimony

Transportation Committee Meeting

April 22, 2010

Public-Private Partnership

(Gonzales Bill)

Good morning members of the Transportation Committee. We thank you for this opportunity to give testimony to this distinguished committee.

Today you are considering the adoption of a bill that would give The Michigan Department of Transportation (MDOT) the ability to use Public-Private Partnerships when appropriate to fund, and construct projects that urgent and necessary for the good of our State. This mechanism, if adopted will be another tool in the toolbox of MDOT to accomplish its mandates and goals when and if approved by the commission.

While we have concerns regarding an unfettered use of this power we support the concept that would allow the State of Michigan the opportunity to use a P-3 only when a necessary project may not happen under any other circumstance.

However, we do object to any use of the P-3 authority when it comes to the International Corridor between Detroit and Windsor. The Ambassador Bridge has invested huge amounts of our Private dollars in this corridor based on our agreements with MDOT and the fact that MDOT when applying for Federal Funds for the Ambassador Bridge Gateway Project included the following quote "Clearly, This is a high priority project with all the stakeholders. This includes, but is not limited to MDOT, DIBC, SEMCOG, and the City of Detroit. The need for this project has precipitated unprecedented cooperation between local, state, federal, and private interest not seen in the last 25 years. To facilitate implementation of the project, DIBC is expected to become a full partner in the project construction with MDOT. Recent announcement for a \$400 million construction of a second span of the Ambassador Bridge by DIBC underscores the expected cooperation needed to make these projects whole. This is truly a public-private partnership."

When the United States Congress passed the appropriations to fund the Ambassador Bridge Gateway Project based on the above request from MDOT they made the following Statements "Ambassador Bridge.---The Committee appropriated substantial funds for critically important direct access improvements between the Ambassador Bridge/Gateway Project as authorized in section 1217(b) of Public Law 106-178. In obligating all authorized and appropriated funds for the project, the Committee expects that the Federal Highway Administration shall ensure that

such funds are used only for the Ambassador Bridge/Gateway Project.” “To accommodate access to meet future border crossing capacity needs and protect plans identified by the Ambassador Bridge; including a second span of the Ambassador Bridge.”

MDOT now wants you to give them the power to use the P-3 mechanism to sell the Detroit Windsor Corridor to another Private Company after requesting funding on the Ambassador Bridge Gateway Project from the Federal Government stating that MDOT and the Ambassador Bridge have a truly Public-Private Partnership with regards to the Detroit Windsor International Corridor. MDOT statements included the second span of the Ambassador Bridge and the appropriations by Congress included direction to protect the plans by the Ambassador Bridge including the second span.

MDOT can not be given the power of P-3 legislation that can be used for the Detroit Windsor Corridor.

If this body is going to adopt P-3 legislation it must restrict the use of it regarding the Detroit Windsor Corridor that has already been vested between MDOT and The Ambassador Bridge.

Thank you for this opportunity and we will answer any questions.